[Date]

[Company]
Attention: [Contact]
[Department]
[Address]

Subject: Contract Negotiation Exclusivity Agreement for [Project name]

Dear [Company],

Redwood Coast Energy Authority (“**RCEA**”) is pleased to confirm that the offer (the “**Offer**”) submitted by [Company] (“**Respondent**”) for the [Project name] (“**Project**”) in the recent 2022 Request for Offers for Zero-Emission Reliability Resources (“**RFO**”) has been placed on the shortlist for further negotiations. If you wish to proceed with negotiations for a power purchase agreement, energy services agreement, or resource adequacy contract (**“Contracts”**) under the terms and conditions set forth below (the “**Exclusivity Agreement**”), please countersign where provided below and return it to Procurement@RedwoodEnergy.org no later than [Date].

**Representations and Warranties**

In accepting a position on the shortlist, Respondent hereby makes the following representations and warranties:

1. Respondent has not engaged and will not engage in oral, written, or any other form of communication with any other entity submitting an Offer to RCEA in response to the RFO with respect to the terms of Respondent’s Offer or such other entities’ offer(s) in the RFO; and
2. Respondent will promptly notify RCEA of any material change in circumstances that may affect Respondent’s ability to fulfill the terms of its Offer, at any time from Offer submission to RCEA acceptance of the Offer, as evidenced by RCEA execution of Contracts, or Respondent’s withdrawal of the Offer.

Respondent understands and agrees that any breach by Respondent of the above representations and warranties is grounds for immediate disqualification of Respondent from the RFO and forfeit of the Shortlist Deposit.

**Exclusivity**

In consideration of its shortlist position, Respondent hereby grants RCEA exclusivity with respect to the Offer beginning on the date of Respondent’s execution of this Exclusivity Agreement and continuing until the earlier of the following events (the “**Exclusivity Deadline**”):

1. RCEA’s termination of negotiations of the Contract;
2. Ninety (90) calendar days after the date of Respondent’s execution of this Exclusivity Agreement.

By mutual agreement, the Exclusivity Deadline may be extended by Respondent and RCEA pursuant to a written addendum to this Exclusivity Agreement. Respondent agrees prior to the Exclusivity Deadline it shall not enter into any agreements nor otherwise discuss the sale of output of the Project associated with the Offer with any third party under which it or its affiliates may agree, conditionally or unconditionally, to enter into a Contract for the output of the Project associated with the Offer.

As a condition of RCEA’s obligations under this Exclusivity Agreement, Respondent agrees to provide RCEA with a deposit in the form of cash in the amount of [amount] ($\_\_\_\_\_) Dollars (the “**Shortlist Deposit**”) within five (5) business days of Respondent’s countersignature of this Exclusivity Agreement. The cash deposit should be sent to:

Redwood Coast Energy Authority
Attn: Lexie Perez
633 3rd St.
Eureka, CA 95501

The Shortlist Deposit will be promptly returned to Respondent in its entirety upon the occurrence of one or more of the following conditions: (i) following execution of the Contract and provision of the required security in accordance with the terms of such Contract, (ii) RCEA’s rejection of Respondent’s Offer following shortlist selection, (iii) written notice that successful conclusion of contract negotiation is not achievable, as determined by RCEA, or (iv) RCEA termination of the RFO process. Notwithstanding the foregoing, Respondent hereby acknowledges and agrees that Respondent will forfeit its Shortlist Deposit and RCEA shall have the right to draw on the Shortlist Deposit in its entirety if (i) it is determined by RCEA that Respondent made any material misrepresentations in the Offer, (ii) Respondent fails to comply with the terms and conditions of this Exclusivity Agreement or the RFO, (iii) Respondent unilaterally withdraws the offer or attempts to materially modify the terms of its offer or qualifications following the respondent’s acceptance of shortlist status and submittal of deposit, unless such material modifications are agreed to by RCEA in writing, or (iv) prior to the Exclusivity Deadline, Respondent enters into discussions with any third party under which such third party, or any of such third party’s affiliates may agree, conditionally or unconditionally, to enter into a Contract for the capacity of the Project associated with the Offer. Respondent and RCEA agree that for purposes of this Exclusivity Agreement, the terms and conditions of the Offer are set forth in the signed term sheet provided to RCEA by Respondent.

Respondent agrees that RCEA will not be obligated to enter into any transaction with Respondent until a final negotiated Contract has received approval from the RCEA Board of Directors, and been fully executed by the parties thereto.

The terms of this Exclusivity Agreement may be modified or waived only by a separate writing signed by each of the parties that expressly modifies or waives any such term.

**IN NO EVENT SHALL EITHER PARTY, ITS AFFILIATES AND/OR REPRESENTATIVES BE LIABLE FOR ANY LOST OR PROSPECTIVE PROFITS OR ANY OTHER CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, INDIRECT OR EXEMPLARY DAMAGES UNDER OR IN RESPECT TO THIS AGREEMENT.**

Acknowledged and Agreed:

**REDWOOD COAST ENERGY AUTHORITY**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**[COMPANY]**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_